

111TH CONGRESS
1ST SESSION

H. R. 4361

To amend the Internal Revenue Code of 1986 to eliminate contribution limitations for retirement plans and increase penalties attributable to such contributions.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 16, 2009

Mr. CAMPBELL introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to eliminate contribution limitations for retirement plans and increase penalties attributable to such contributions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Save More for Your
5 Own Retirement Act of 2009”.

6 **SEC. 2. REPEAL OF CONTRIBUTION LIMITATIONS FOR RE-**
7 **TIREMENT PLANS.**

8 (a) IN GENERAL.—

1 (1) REPEAL OF RETIREMENT CONTRIBUTION
2 DEDUCTION LIMITATIONS.—

3 (A) Subsection (b) of section 219 of the
4 Internal Revenue Code of 1986 is amended to
5 read as follows:

6 “(b) MAXIMUM AMOUNT OF DEDUCTION.—The
7 amount allowable as a deduction under subsection (a) to
8 any individual for any taxable year shall not exceed an
9 amount equal to the compensation includible in the indi-
10 vidual’s gross income for such taxable year.”.

11 (B) Section 219 of the Internal Revenue
12 Code of 1986 is amended by striking sub-
13 sections (c) and (g).

14 (2) REPEAL OF ROTH IRA LIMITATION.—Para-
15 graph (2) of section 408A(c) of such Code is amend-
16 ed by striking “the excess (if any) of—” and all that
17 follows through the end and inserting “the max-
18 imum amount allowable as a deduction under section
19 219 with respect to such individual for such taxable
20 year (computed without regard to subsection (d)(1)
21 of such section”.

22 (3) REPEAL OF LIMITATION ON ELECTIVE DE-
23 FERRALS.—Section 402 of such Code is amended by
24 striking subsection (g).

1 (b) EFFECTIVE DATE.—The amendments made by
 2 this section shall apply to contributions made after De-
 3 cember 31, 2009.

4 **SEC. 3. INCREASE IN PENALTY FOR EARLY DISTRIBUTIONS**
 5 **ATTRIBUTABLE TO INCREASED CONTRIBU-**
 6 **TIONS.**

7 (a) IN GENERAL.—Subsection (t) of section 72 of
 8 such Code is amended by adding at the end the following
 9 new paragraph:

10 “(11) INCREASED TAX ON EARLY DISTRIBUTIONS ATTRIBUTABLE TO INCREASED CONTRIBU-
 11 TIONS ATTRIBUTABLE TO INCREASED CONTRIBU-
 12 TIONS.—

13 “(A) IN GENERAL.—In the case of an
 14 amount received from a qualified retirement
 15 plan which is attributable to post-2009 excess
 16 contribution, paragraph (1) shall be applied by
 17 substituting ‘25 percent’ for ‘10 percent’ with
 18 respect to such amount.

19 “(B) POST-2009 EXCESS CONTRIBUTION.—
 20 For purposes of this paragraph, the term ‘post-
 21 2008 excess contribution’ means any contribu-
 22 tion—

23 “(i) made to a qualified retirement
 24 plan for any period beginning after Decem-
 25 ber 31, 2009, and

1 “(ii) to the extent such contribution
2 exceeds the limitation which would (but for
3 the Save More for Your Own Retirement
4 Act of 2009) have applied with respect to
5 such contribution for such period.”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall apply to distributions made after Decem-
8 ber 31, 2009.

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